



Department for
Energy Security
& Net Zero

Hydrogen Delivery Council

Eleventh Meeting – Summary

24 July 2023

Attendees

Co-Chairs:

Lord Callanan, Minister for Energy Efficiency and Green Finance, Department for Energy Security and Net Zero.

Jane Toogood, Chief Executive for Catalyst Technologies at Johnson Matthey and UK Hydrogen Champion

Council members:

| Name | Role | Organisation |
|--|--|--------------------------------|
| Wouter Bleukx | Business Director, Hydrogen | Inovyn |
| Paul Bogers | Vice President, Hydrogen | Shell |
| Jon Butterworth | Chief Commercial Officer | National Gas |
| Andrew Doyle | Executive Director | Mitsubishi UFJ Financial Group |
| James Earl | Gas Goes Green Champion | Energy Networks Association |
| Sam French | Business Development Director | Johnson Matthey |
| Nicholas Gole | Senior Managing Director | Macquarie |
| Akshay Kaul (deputising for Jonathan Brearley) | Director General, Infrastructure. | Ofgem |
| Louise Kingham | Head of Country, UK | BP |
| Rajesh Kedia (deputising for Ian Brown) | Banking Director | UK infrastructure bank |
| Chris Manson-Whitton | Director | Progressive Energy |
| Dominic Martin (deputising for Alex Grant) | Vice President, Governmental and Regulatory Affairs, Marketing and Trading | Equinor |
| Jim Mercer | Business President | BOC Linde |
| Alistair Phillips-Davies | Managing Director | SSE |
| Sarah Potts | Hydrogen and CCS Process Technical Authority | Storegga |
| Dennis Schultz | CEO | ITM Power |
| Steve Scrimshaw | Vice President | Siemens Energy |
| Prof Nilay Shah | Director, Centre for Process Systems Engineering | Imperial College London |
| Sopna Sury | COO | RWE |
| David Wellard (deputising for Olivia Breese) | Head of Commercial for P2X | Orsted |

External Speakers:

| Name | Role | Organisation |
|------------------------|-------------------|-------------------------|
| Claire Jackson | CEO | Hydrogen UK |
| Dr. Felix Chr. Matthes | Co-Chair | German Hydrogen Council |
| Jon Regnart-Russell | Senior Consultant | Hydrogen UK |

Observers:

| Name | Organisation |
|------------------------|--|
| Debbie Baker | Aviso |
| Rich Denny | Infrastructure and Projects Authority |
| John Howells | Welsh Government |
| Edward Kerr | Northern Irish Government |
| Paro Konar | Director, HICC, Department for Energy Security and Net Zero |
| Josh Lawrence | Department for International Trade |
| Professor Ron Loveland | Welsh Government |
| Will Lochhead | Deputy Director, HICC, Department for Energy Security and Net Zero |
| Andrew Mackenzie | Department for Transport |
| Professor Paul Monks | Chief Scientific Adviser (CSA) - Department for Energy Security and Net Zero |
| Bob Moran | Department for Transport |
| Stef Murphy | Director, HICC, Department for Energy Security and Net Zero |
| Nicola Soave | Scottish Government |
| Robert Schulz | German Hydrogen Council |
| James Walker | Ofgem |

Also in attendance, officials from: Department for Energy Security and Net Zero; Department for Transport; Department for International Trade (non Senior Civil Servants).

NB: This is a summary of Council member comments made in an **advisory** capacity. The summary of member comments does not represent government policy or views.

Item 1: Chair Introduction & Ministerial Update – Jane Toogood & Lord Callanan

Jane Toogood (JT) introduced, as special guest to the Council, Dr Felix Matthes of the German Hydrogen Advisory Council.

JT made an opening statement highlighting her recent experience of visiting the Southampton Solent industrial cluster and the opportunities for international trade in hydrogen and CCUS, as well as her recent supply chain investor roundtable and the importance of a supply chain strategy. She also noted the recent media and public profile of the hydrogen provisions in the Energy Bill.

Lord Callanan (LC) spoke about his recent visit to Germany and the potential for further collaboration between the two countries. He also noted upcoming documents which government intends to publish, including the hydrogen strategy update to the market and the hydrogen transport and storage infrastructure consultation response, the Low Carbon Hydrogen Agreement and a consultation on blending.

LC updated on the Energy Bill, emphasising the government's commitment to ensuring that the Bill provides for a robust funding mechanism for low carbon hydrogen, alongside exchequer funding. The Energy Bill was scheduled for Report Stage on 5 September and was expected to go to the Lords on 12 September.

Following this update from LC there was a discussion among participants on recent policy developments which included:

- The high level of engagement and interest in the first electrolytic hydrogen allocation round and the next steps to progress the most viable projects to deliver up to 250MW of electrolytic production capacity.
- A request from industry for more certainty on the transport and storage business models to support investment in infrastructure. The recent government response to the transport and storage business model consultation is an important milestone in providing this certainty and demonstrates that government is progressing this work as quickly as possible.

Item 2: Two-year workplan – Jane Toogood & Head of Hydrogen Delivery Council (HDC) Secretariat

JT reminded all that two-year workplan is focused on driving the delivery of a UK hydrogen economy and thanked all involved in the drafting of the plan to date.

Head of the HDC Secretariat in DESNZ provided a progress update on the two-year work plan and members' feedback which covered:

- All working groups have now met and begun to scope deliverables. These deliverables will need align with and support government plans.
- The working groups will meet regularly and report on progress, and any issues, to the Council for their consideration.
- The working groups' deliverables will continue to be iterated and will need to adapt to any change in prioritisation from a policy or delivery standpoint.
- Working groups will need to ensure that deliverables are complimentary rather than duplicative.

- The Secretariat will continue to consider how to best facilitate join-up, including on topics that might sit across multiple working groups (e.g. finance and investment).
- The membership of the working groups will also be kept under review to ensure that they represent a diversity of perspectives.

Item 3: German Hydrogen Council – Dr Felix Matthes

Dr Felix Matthes (FM) set out the structure and work of the German Hydrogen Council. The Council has a very explicit mandate to advise government on its strategy and on emerging issues and future priorities. It is viewed by participants as an important platform for convening stakeholders who might have different views and perspectives on the German hydrogen economy.

The Council is intentionally internationally-facing and all of the papers are translated into English.

FM referenced the recent publication of Germany's updated Hydrogen Strategy. This was useful for prompting a discussion on areas for cooperation between the UK and Germany in the future. This could form part of a UK-Germany partnership that was due to be signed in September.

Topics of mutual interest could include: the design and delivery of funding support for different parts of the value chain (including the CfD programme in the EU), strategic planning for domestic and international hydrogen infrastructure, alignment and pace of the developing regulatory framework for hydrogen (including for imports and derivatives), and trade in hydrogen.

The Council valued the discussion led by FM, and JT has been invited to attend a future meeting of the German Hydrogen Council.

Item 4: Hydrogen Sector Narrative – Sam French, Johnson Matthey

As part of the new Hydrogen Delivery Council structures, Council members can also propose ideas for deliverables that could sit outside of the working group structures.

Sam French (SF) proposed that the Council develops a shared narrative on the strategic role that hydrogen can play to deliver net zero, energy security and economic benefits in the UK. The application and use of this shared narrative would be for individual Council members to decide.

Sam asked Council members to volunteer to join a task and finish group to develop the strategic narrative. Members provided early feedback on the idea, advising that it would be important to focus on core priority areas and work as a community that recognises that there may be different commercial interests for individual members. The intention was to develop the strategic narrative for consideration at the next Council meeting.

Item 5: HUK Supply Chains Update – Clare Jackson / Hydrogen UK

Hydrogen UK (HUK) gave a further update on their work on the UK supply chain project, which they are leading. The project aims to ensure that the UK is world leader in the development and manufacture of hydrogen technologies and supporting supply chains.

The work will take a phased approach, prioritising areas that are considered critical to the delivery of a hydrogen economy by 2030. HUK plan to:

- Identify key value chain areas based on criticality to 2030 hydrogen economy and ease of analysing supply chain elements.
- Develop archetypes of value chain areas and speak to project developers to identify high value supply chain elements and current challenges. Cross reference with current UK supply chain strengths.
- Work with UK supply chain companies to understand supply chain dynamics and barriers to expansion and investment in the UK. Engage with international supply chain companies to understand barriers to FDI into the UK.
- Identify interventions required from industry and government to anchor key supply chain elements in the UK.

Council members welcomed the project and provided feedback on:

- Lead-in times to prepare supply chains and the proposal to also work backwards from policy milestones (e.g. power sector decarbonisation by 2035) to understand supply chain requirements.
- Ensuring a balance between shorter term priorities to bring down costs to kick start the UK hydrogen economy and longer-term priorities to create an enduring domestic supply chains that supports the UK hydrogen economy and which can be exported abroad.
- Commonalities and critical components in the value chain across different hydrogen and related technologies.
- Finance and investment into supply chain development, including considering if further interventions might be required.

Item 6: Closing Remarks & AOB – Jane Toogood, Paro Konar & Head of HDC Secretariat

JT thanked the Council for their participation in the meeting. There were no outstanding actions from the previous meeting. The next Council meeting is due to take place in Autumn 2023.